

June 13, 2003

Ms. Julie Jones
CMS/CMSO/FCHPG/DSCHI
Mail Stop S2-0-16
7500 Security Blvd.
Baltimore, MD 21244

Dear Ms. Jones:

Enclosed please find Michigan's Medicaid Adult Waiver II. The waiver will add 50,000 beneficiaries to the state's Medicaid program; create a buy-in for parents and persons acting as parents who are over the income limit for Medicaid but below the federal poverty level; and establish a voluntary employer buy-in for Medicaid beneficiaries that have employer-sponsored coverage available to them.

The proposed waiver modifies the benefit package provided to existing TANF-related adults: to allow Michigan to retain basic coverage for the existing Medicaid population, to bring back the Caretaker Relative eligibility group, to offer a buy-in to Medicaid for parents under the poverty level, and to offer a new family planning benefit to women who would otherwise lose coverage at the end of their first pregnancy. The state believes that the new family planning benefit will reduce the number of unwanted second pregnancies for this group of women and will also help women who desire additional children to space their pregnancies to improve outcomes. We view the modifications in the benefits provided to TANF-related adults as a temporary measure to ensure the state can continue to cover this group until the state's economy improves. The waiver will not change the benefits provided to pregnant women, children 18 and under, persons 65 and over, and disabled persons.

In addition to the attached copies of the waiver proposal, I will have my staff e-mail you an electronic copy of the amended waiver and its attachments. If you have questions related to the waiver program or to the narrative or attachments please contact Robert Stampfly at (517) 335-5121. If you have questions related to the waiver budget (Attachment G) please contact Stephen Fitton at (517) 241-7192.

I look forward to CMS's approval of the waiver proposal so that Michigan can move forward with its plans.

Sincerely,

Paul Reinhart, Deputy Director for
Medical Services Administration

Attachments

CC: Hye Sun Lee, Region 5